



Cover Page



A STUDY ON CUSTOMER’S PREFERENCE AND SATISFACTION TOWARDS ONLINE SHOPPING IN AMAZON WITH SPECIAL REFERENCE TO COIMBATORE CITY

¹Sruthi Ravichandran and ²Mr.D. Shanmugavadivel

¹Student and ²Assistant Professor

²Department of Commerce

^{1&2}Dr.N.G.P. Arts and Science College

Coimbatore, Tamil Nadu, India

Abstract

The act of purchasing products or services over the internet is called as online shopping. It offers a wide range of products and services to the customers from the comfort of their home. Online shopping has become very popular, especially with the lifestyles of business people who are always busy and are looking for a convenient way to shop. This study tries to examine the customer satisfaction and perception towards online shopping users of Amazon in Coimbatore city. The aim of the study is to know the consumer’s attitudes towards online shopping and the factors that influence consumers to shop from Amazon. Descriptive research design has been used and the data was collected from 120 respondents in Coimbatore city by using a questionnaire survey. The study found out that various factors contribute to customer satisfaction in online shopping and Amazon distinguishes itself from its competitors in terms of good quality.

Keywords:Online Shopping, Customer Satisfaction, Perception and Attitude.

Introduction

This project focuses on analyzing the customer’s preference and satisfaction towards Amazon online shopping with reference to Coimbatore city. Online shopping refers to the process of buying goods and services from merchants over the Internet. It is an emerging concept and is used everywhere around the world. In other terms, it is also known as E-commerce where it acts as a business model that equips the individual or enterprise to conduct business through the electronic media. Online shopping has changed the way consumers buy goods and services.

The reduced cost factors of internet, as a direct channel of customers and a company with comparatively less maintenance costs and investment, were considered to be the key factors to the success of online based business. Many people choose to conduct shopping online because of the convenience. It allows you to browse through endless possibilities and also offers merchandise unavailable in stores.

Amazon is one such site that is widely used by customers for purchasing products. It runs its business operations with the vendors and customers solely on Internet. Customers tend to buy from Amazon because it is one of the most trusted retailers that keep the information secured and also well known for its customer service. They are also very good in terms of their policy which is hassle-free. The other good thing is that there is accurate description about the product which makes it easier to purchase products.

Statement of the Problem

Online shopping plays an important role in the modernization. We face millions of problems when entering the world of online shopping. The attitude and preference of customers on purchasing products through online are affected by various factors.

- Customers who order the product may find defects in the products and makes the customer disturbed.
- Not delivering the products on time is one of the problems that the customers can face.
- There are cases where the product is out of stock.
- It might happen that payment is being made but the orders are not received yet.
- When the customer visits the site to order for the particular product, they find different from what they have ordered.

Objectives of the Study

- To identify the customers opinion towards online shopping in Amazon in Coimbatore city.
- To study the satisfaction level of the Amazon customers based on the respondent response.
- To evaluate and find out the factors that influences the customers to purchase the product from Amazon.
- To analyse the problems faced by the customers in online shopping of Amazon.



Cover Page



Scope of the Study

This project has collected data from the customer's point of view to gather insights. The scope of this study is to provide information about the factors responsible for the satisfaction of the consumers while shopping online from Amazon. It also focuses on how Amazon provides their quality of their services.

II. Review of Literature

- Mathan Kumar and R. Velmurugan (2017) states that customers are highly satisfied with price of the product followed by discount and time taken for delivering the product on online purchase. Customer's satisfaction is associated with intensity of problem faced on their online purchase. Customers who are more satisfied make repetitive purchases from the same e-commerce site.
- Nandhini Bala Subramaniam (2017) in her study to identify the respondent's perception towards Amazon and Flipkart shopping and also to compare the customer satisfaction level of the post graduate student of an educational institution found that Amazon has high quality and product variety when compared to Flipkart and the evident that they convey was both provide equal service in terms of payment facility.
- Elika Kordrostami, Vahid Rahmani (2020) investigated the online review in terms of its effect on purchase intention of individuals and sales rank on Amazon.com and it shows that the effect of both volume and valence range such that volume had a significant effect on purchase intention only when valence hit the medium range, and showed no effect at low and high ratings.

III. Research Methodology

Research Methodology

Research methodology is a way to systematically solve the research problems. In this research, method used is quantitative survey method. The survey questionnaire was conducted online and was used as it is cheaper source to collect opinion directly from consumers. With the help of this method the data could be collected quickly.

Data Collection

The data was collected from both primary and secondary sources. The primary data was collected from online questionnaire survey and the secondary data from the research done by previous researchers.

Primary Data

The primary data are those which are collected afresh and for the first time, and thus happen to be original in character. The questionnaire method is used to carry out the research.

Secondary Data

The secondary data are those which have already been collected by someone else and which have already been passed through the statistical process. It is collected from different websites from the internet.

Sampling

Sampling may be defined as the selection of some part of an aggregate or totality on the basis of which a judgement or inference about the aggregate is made. In other words, it is a process of obtaining information about an entire population by examining only a part of it.

Sampling Size

Direct questionnaire method was used and 120 samples in Coimbatore city were selected based on convenience sampling. Respondents were selected from the population in random.

Simple Random Sampling

Simple random sampling is the method of sample selection which gives each possible sample combination an equal probability of being picked up and each item in the entire population to have equal chance of being included in the sample.

Tools and Techniques Used for Analysis

- Simple percentage analysis



Cover Page



- Weighted average method
- Chi square analysis

IV. Analysis and Interpretation of Data

The study is based on a sample of 120 respondents. The demographic profile of the sample respondents is shown in Table 1.

Table No.1
Socio-Demographic Profile of Respondents

DEMOGRAPHICS	CATEGORY	NO OF RESPONDENTS	PERCENTAGE
Gender	Male	62	51.7
	Female	58	48.3
Age	15 to 20 years	62	51.7
	20 to 30 years	33	27.5
	30 to 40 years	7	5.8
	Above 40 years	18	15
Occupation	Student	84	70
	Business	17	14.2
	Housewife	4	3.3
	Service	15	12.5
Annual income	Rs. 1 to 2 lakhs	73	60.8
	Rs. 2 to 4 lakhs	27	22.5
	Rs. 4 to 6 lakhs	5	4.17
	Rs. 6 lakhs and above	15	12.5
Place of residence	Rural	43	35.8
	Urban	61	50.8
	Semi-urban	16	13.3

Source: Primary data

From the above table it is observed that majority of the respondents are male with 51.7% and are between 15-20 years of age group. They account 51.7 percent of the total respondents. Based on occupation, students dominated rest of the respondents with 84 respondents. Majority 50.8% of the respondents are from urban area and 60.8% of the total respondents are earning from Rs.1 to 2 lakhs per annum.

Table No.2
Frequency of Purchase in Amazon

FACTOR	NO OF RESPONDENTS	PERCENTAGE
Frequent	32	26.7
Occasionally	50	41.7
More frequent	18	15
Rare	20	16.7

Source: Primary data

From the above table, it shows that 26.7% of the respondent use Amazon frequently while shopping online, 41.7% of the respondents use Amazon occasionally, 15% of the respondents use more frequently, and 16.7% of the respondents use Amazon rarely while shopping online.



Cover Page



Table No.3
Main Reason for Choosing Amazon

FACTOR	NO OF RESPONDENTS	PERCENTAGE
Less price	12	10
Good quality	51	42.5
Best offer	34	28.3
Standard	23	19.2

Source: Primary data

From the above table, it is seen that 10% of the respondents choose Amazon for its less price, 42.5% of the respondents choose as it offers good quality, 28.3% of the respondents choose Amazon for its best offers, and 19.2% of the respondents choose Amazon as it is standard.

Table No.4
Products Mostly Purchased in Amazon

FACTOR	NO OF RESPONDENTS	PERCENTAGE
Clothing	31	25.8
Electronics	42	35
Home appliances	11	9.2
Accessories	30	25
Others	6	5

Source: Primary data

From the above table, it is revealed that 25.8% of the respondents mostly purchase clothes, 35% of the respondents mostly purchase electronic goods, 9.2% of the respondents mostly purchase home appliances, 25% of the respondents purchase accessories and 5% of the respondents purchase others like books, shoes, organizers, home decor etc...

Weighted Average

Table No.5:
Level of Satisfaction

FEATURES	1(3)	2(2)	3(1)	TOTAL	MEAN SCORE
Fast delivery	88	13	19	120	2.57
	264	26	19	309	
Availability	82	24	14	120	2.57
	246	48	14	308	
After sales service	57	31	32	120	2.2
	171	62	32	265	
Portal features	68	23	29	120	2.32
	204	46	29	279	

Source of data: Primary data

The above table justifies the satisfactory level after using the product in Amazon. The highest mean score rises 2.6 for fast delivery and availability of products.



Cover Page



Chi Square Analysis

Table No.6
Occupation of the Respondents and Product Purchased Mostly in Amazon

FACTOR	CALCULATED D VALUE	DEGREE OF FREEDOM	TABLE VALUE	REMARKS
OCCUPATION	11.541 ^a	12	21.03	ACCEPTED

Source of data: Primary data

The above table shows that the table value 21.03 is higher than the calculated value 11.541 and the null hypothesis is accepted. Hence, there is no significant difference between the occupation of the respondents and the products mostly purchased on Amazon.

Table No.7
Income of the Respondents and Amount Spent for Online Shopping

FACTOR	CALCULATED D VALUE	DEGREE OF FREEDOM	TABLE VALUE	REMARKS
INCOME	31.462 ^a	9	16.92	REJECTED

Source: Primary data

The above table shows that the table value 16.92 is lesser than the calculated value 31.462 and the null hypothesis is rejected. Hence, there is a significant difference between the occupation of the respondents and the products mostly purchased on Amazon.

Findings

- Majority of the respondents are male with 51.7% and are between 15-20 years of age group. They account 51.7 percent of the total respondents. Based on occupation, students dominated rest of the respondents with 84 respondents. Majority 50.8% of the respondents are from urban area and 60.8% of the total respondents are earning from Rs.1 to 2 lakhs per annum.
- Majority 41.7% of the respondents occasionally use Amazon while shopping online.
- Majority 42.5% of the respondents choose Amazon as it offers good quality goods
- Majority 35% of the respondents mostly purchase electronic goods on Amazon.
- Majority 65% of the respondents prefer cash on delivery.
- Majority 71.7% of the respondents agree that Amazon provides detailed information about the products.
- Majority 58.3% of the respondents agree that they are able to retain as a regular customer of Amazon.
- Majority 92.5 % of the respondents agree that that they had received the product on time so far.
- Majority 43.3 % of the respondents can spend from Rs.500 to 1000 for online shopping.
- Majority 28.6 % of the respondents have faced delay in delivery of the product in Amazon.
- Majority 91.7 % of the respondents would recommend Amazon to others.
- Majority 34.2 % of the respondents were satisfied with the fast delivery of Amazon which was unique compared to other applications.

Weighted Average Analysis

- The highest mean score rises 2.6 for fast delivery and availability of products.

Chi Square Analysis

- There is no significant difference between the occupation of the respondents and the products mostly purchased on Amazon.
- There is a significant difference between the occupation of the respondents and the products mostly purchased on Amazon.

Suggestions

- The Amazon e-commerce site should take the primary issues into serious consideration as in regard with the delivery of the product with better return policies to make them more credible in the eyes of the customers.



Cover Page



- Even though consumers are educated they are not interested to purchase products through online because of infrastructure shortage, lack of knowledge on how to order the product online and they have lack of confidence on payments. So, the vendor companies and service providers have to create awareness as how to order the product online.
- Amazon should start taking feedbacks from customers after shopping and give special attention to customers who are not satisfied by arranging a call back from their customer support department.
- Most of the times the information given about the features of the product in the website and the product received from the online vendor are different. So, the online vendor should take necessary steps before dispatching the products to the consumers. It creates repurchasing power of the respondents and also creates good opinion.
- Amazon is making tremendous mark among customers, because whatever the product is their packing will be safe and secure, so they can maintain it to retain their customers.

Conclusion

Online shopping has become a new technology that has been created along with the development of the internet. Understanding customers need for online selling has become a challenge for marketers. Specially understanding the customer's attitude towards online shopping, making improvement in the factors that influence consumers to shop online will help marketers to gain the competitive edge over others. In conclusion, having access to online shopping has truly revolutionized and influenced our society as a whole. This use of technology has opened new doors and opportunities that enable for a more convenient lifestyle today.

References

1. Kothari C.R., Research methodology- Methods and Techniques (2004)
2. Gupta S.P. Statistical methods (2005)
3. "Customer Satisfaction towards Online Shopping in Coimbatore District": International Journal of Pure and Applied Mathematics by Mathan Kumar and R. Velmurugan (2017)
4. "Prospects of e-commerce in India", by Sharma and Mittal (2009)
5. "Finding the source of Amazon.com: examining the hype of the earth's biggest book store", by Martin Dodge (1999).

Filename: 8
Directory: C:\Users\DELL\Documents
Template: C:\Users\DELL\AppData\Roaming\Microsoft\Templates\Normal.dotm
Title:
Subject:
Author: Windows User
Keywords:
Comments:
Creation Date: 5/15/2021 12:19:00 PM
Change Number: 5
Last Saved On: 5/16/2021 12:59:00 PM
Last Saved By: Murali Korada
Total Editing Time: 58 Minutes
Last Printed On: 6/1/2021 7:32:00 AM
As of Last Complete Printing
Number of Pages: 6
Number of Words: 2,322 (approx.)
Number of Characters: 13,241 (approx.)